

Objectives, Actions  
and Performance

**COFFEE**

**FACTSHEET**

**2025**



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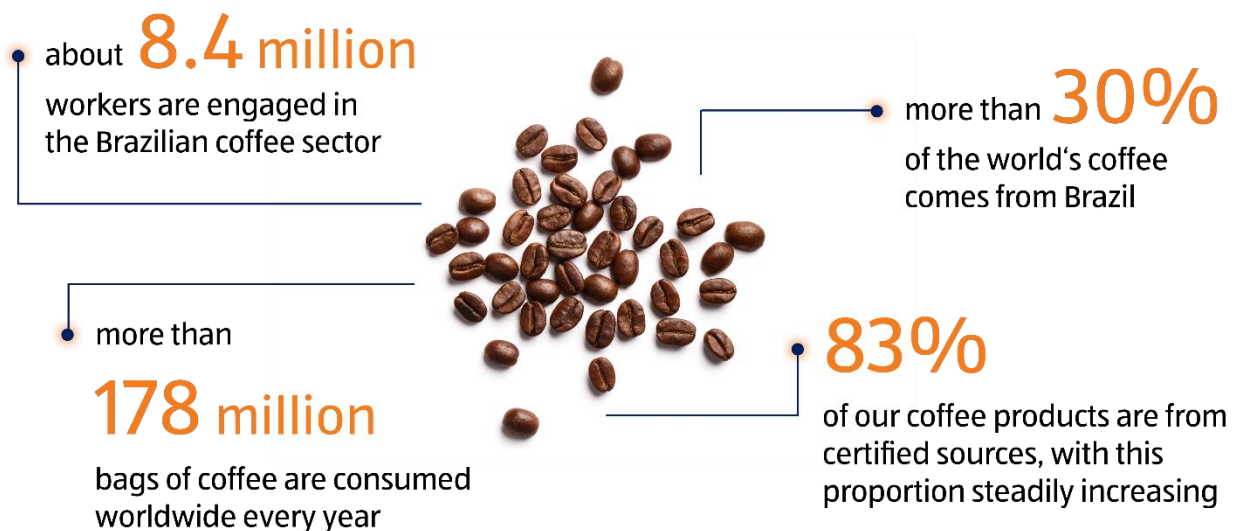
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# 1 | INTRODUCTION

Coffee is among the world’s most-traded raw materials and is predominantly cultivated by smallholder farmers in sub-tropical regions. Sourcing coffee presents human rights and environmental challenges, including the risk of deforestation. The ALDI SOUTH Group is committed to promoting fair working conditions and environmentally friendly production in coffee cultivation.

One way we are doing this is by sourcing third-party certified products to ensure that producers receive a fair price for their products and that climate change adaption and deforestation are addressed. We also conduct origin visits to key sourcing countries, participate in projects on the ground, and work to improve supply chain transparency through direct sourcing models.

# 2 | FACTS & FIGURES



# 3 | TRANSPARENCY & TRACEABILITY

Ensuring transparency in our supply chain is the foundation of our sustainability measures. We cannot ensure compliance with our requirements, analyse risks, monitor or implement projects without knowledge of the origin of our products. We collaborate with our business partners to increase the transparency of our supply chains so that we can better understand the origin of each product we sell, and the raw materials used.

## Coffee Suppliers

In 2021, we began publishing the names and addresses of our direct business partners (Tier 1 suppliers) for coffee. The latest list includes suppliers used to produce ALDI SOUTH Group products for the period of 2024/2025 (excluding branded suppliers and Australia-only suppliers). All disclosed suppliers have given their consent for their information to be published.

Download the list as an Excel file [here](#).

## 4 | PARTNERSHIP WITH NEWCOFFEE

NewCoffee has been roasting high-quality coffee in Germany since the 1960s. The company was initially set up to supply ALDI SÜD Germany and is now the primary coffee producer for our entire ALDI business group. But this does not mean that every country gets the same cup of coffee: Our customers can choose from ground coffee, whole beans, to (Nespresso® compatible) capsules and pads - whether it's Barissimo in Europe, the UK and the United States or the UK-only premium brand Specially Selected. The product range includes mild, full-bodied or decaffeinated variants, seasonal and special articles and a wide variety of aromas.

### NewCoffee Facts



**owned** by  
ALDI and based in  
Germany



Since **1960s**  
high-quality  
coffee roasting



Over **35K**  
metric tonnes of  
coffee produced  
per year



All **11**  
ALDI SOUTH Group  
markets offer own-  
brand NewCoffee  
products



More than **100**  
different  
products offered  
worldwide

### Putting a focus on responsible and sustainable sourcing

NewCoffee sources the raw beans for our high-quality coffees from Brazil, Vietnam, Honduras, Peru, Tanzania, Kenya and Colombia – among others. Environmental and labour standards in these regions are often low. Many farmers and coffee-growing communities are vulnerable to price volatility, deforestation and the effects of climate change.

Our goal as a company is not only to deliver first-class products but also to ensure fair working conditions and environmentally friendly production along our coffee supply chain. To drive change, NewCoffee almost exclusively purchases green coffee from certified farms and supports direct sourcing models.

### Guaranteeing quality through high production standards

NewCoffee also follows strict production standards to ensure the stable quality and security of products through sustainable production practices. NewCoffee's production facilities are IFS and ISO (50001, 45001 & 14001) certified, continuously improving energy use and management, reducing waste or increasing the use of recyclable materials while also warranting a safe working environment.

### How partnering with NewCoffee makes a difference

Over the past few decades, the ALDI SOUTH Group and NewCoffee have built a strong partnership and a shared and growing commitment to sustainability. To set ourselves up for success, we discuss strategic issues and legislative requirements, e.g. the EU deforestation regulation, to understand how they affect us as a business and what they mean for our local coffee farmers. We also regularly visit our coffee-growing counties to better understand our coffee supply chains and strengthen our relationships with reliable key suppliers. In 2024 a team composed of colleagues from the ALDI SOUTH Group and NewCoffee travelled to Brazil and Vietnam to learn how the local farmers are working to comply with EU deforestation regulations.

This long-term partnership between the ALDI SOUTH Group and NewCoffee allows us to offer our customers great quality at a great price and to raise sustainability standards throughout our coffee supply chain.

## 5 | CERTIFICATION & STANDARDS

Smallholder farmers in coffee-growing regions face multiple challenges, including poverty, commodity price fluctuations and the effects of climate change – which, as a result, also affect our coffee supply chains. To tackle these issues, independent third-party certifications provide reliable mechanisms for positively influencing our supply chains. They allow us as a retailer to reinforce quality, environmental and social standards. By sourcing from suppliers adhering to sustainability standards such as Fairtrade International, Fair Trade USA, Rainforest Alliance, 4C or organic certification, we can assure our customers that we support coffee-growing communities, protect biodiversity, and prevent deforestation.

### 5.1 | GOING BEYOND CERTIFICATION

While certification is crucial in setting certain standards, we recognise that it does not always provide a viable solution to the complex problems faced by farmers and workers in coffee production and harvesting. That is why we are taking further action:

#### **Developing a coffee sourcing strategy with NewCoffee**

NewCoffee supplies around 40% of ALDI's own label coffee volume to the entire business group and, consequently, facilitates an impact on our supply chains. We are working closely with the roaster on a new joint coffee sourcing strategy. We aim to focus on integrating responsible sourcing practices that go beyond certification. Building long-term relationships with trusted coffee growers and increasing our purchasing volumes provides more planning stability. As a result, suppliers and growers in our main countries of origin - Brazil, Vietnam, Honduras, and Peru – invest more in meeting our human rights and environmental standards.

#### **Sustainability schemes**

Additionally, we assess other schemes and programmes that support responsible coffee sourcing practices in our countries of origin. Major coffee traders have developed ambitious and holistic supply chain programmes that focus on close collaboration and supply chain transparency. These initiatives are not only valued by the coffee farming community but are also recognised by the [Global Coffee Platform \(GCP\)](#) as robust sustainability schemes. ALDI considers incorporating such schemes where they effectively address the main risks in our coffee-growing regions.

## 6 | SUPPLY CHAIN

### 6.1 | VISITS & ASSESSMENTS

As part of our engagement, we regularly visit and assess production and processing sites together with business partners in our coffee supply chains.

### 6.2 | HUMAN RIGHTS

We are committed to respecting human rights and improving living and working conditions throughout our supply chains.

#### 6.2.1 | Human Rights Risk Assessment

We regularly conduct human rights risk assessments to examine the risks within our food and agriculture supply chains. The purpose of these assessments is to identify any adverse impacts our company may have on human rights, gain insights into our actual impacts, and understand how we may be involved through our own activities or as a result of our business relationships.

We have identified coffee as a raw material with a high risk of adverse impacts on the enjoyment of human rights and consider it most important to the ALDI SOUTH Group.

#### 6.2.2 | Human Rights Impact Assessment

The ALDI SOUTH Group has committed to conducting comprehensive human rights impact assessments (HRIAs) that follow a stringent methodological approach, which includes extensive background research and engagement with rightsholders. The HRIAs help us identify, understand, and evaluate the potential and actual adverse impacts of our business activities on workers and other affected rightsholders, such as community members, smallholder farmers, and women. So far, we have published the results of three HRIAs in selected high-priority supply chains: avocados from Peru, Brazil nuts from Bolivia, and coffee from Brazil. For more information, please refer to our [Human Rights Impact Assessment Report: Coffee from Brazil](#) and [Ethical Recruitment on Coffee Farms in Brazil](#) resources.

For further details on all our commitments and key standards, please refer to our [Human Rights Factsheet](#).

## 7 | STAKEHOLDER DIALOGUE & CAPACITY BUILDING

We believe the most effective way to safeguard both people and the environment is through collaborative initiatives and partnerships. Therefore, we work closely with our suppliers and participate in a multi-stakeholder initiative, as well as running our own projects on the ground.

## 7.1 | MULTI-STAKEHOLDER INITIATIVE: SUSTAINABLE COFFEE CHALLENGE (SCC)



In 2020, the ALDI SOUTH Group joined the [Sustainable Coffee Challenge \(SCC\)](#). Within this initiative, we work with other retailers, traders, governments, NGOs, and research institutions to improve living and working conditions in the global coffee sector.

## 7.2 | DIRECT SOURCING

### 7.2.1 | Direct Sourcing Approach

Following a Fairtrade project that was completed in 2022, NewCoffee established direct sourcing relationships with cooperatives in Honduras. This connection enables the ALDI SOUTH Group to have a positive impact in some of its most important coffee sourcing regions.

Directly sourcing coffee refers to raw (green) coffee that ALDI SOUTH Group’s coffee roaster negotiates, purchases, and imports directly from the country of origin. This means that there are no third parties or middlemen involved, and the transfer of ownership occurs, at the latest, at the port of shipment.

It should not be confused with coffee sourced directly from the producer. In most cases (90%), this coffee comes from smallholders who do not produce enough coffee to export directly. Instead, they export through associations, groups, or cooperatives that trade on their behalf.

Direct sourcing simplifies a complex value chain, bringing producers and final consumers closer together, and increasing the transparency of coffee supply chains. Direct sourcing relationships are built on trust and are designed to offer both parties long-term security.

In 2024 and 2025 the ALDI SOUTH Group’s coffee roaster directly sourced from the following Fairtrade-certified cooperatives in Honduras and Brazil:

<b>Cafés Finos Corquín (CAFICO)</b>	<b>Cafés Especiales Corquin (CAFESCOR)</b>	<b>Expocacer</b>
Location: Corquin, Copán (Honduras)	Location: Jimilile, Corquin, Copán (Honduras)	Location : Minas Gerais, Cerrado Mineiro Region (Brazil)

These cooperatives receive a Fairtrade Premium helping to address the challenges in coffee production and ensuring the long-term sustainability of smallholder coffee production.

## 7.3 | PROJECTS ON THE GROUND

### 7.3.1 | Narrowing the Living Income Gap of coffee producers in Honduras

The ALDI SOUTH Group collaborated with [ofi \(Olam Food Ingredients\)](#) on a four-year project to reduce the living income gap for around 1,000 coffee producers in Honduras.

Honduras is the [world's eighth largest coffee exporter](#), with around 10% of its population employed in the coffee industry. Despite the growth in coffee export values, rural poverty remains high and the majority of Honduran smallholder coffee farmers struggle to earn a living income. [Living Income](#) describes the income required for all members of a household to afford a decent standard of living. This includes, for example, food, water, housing, education, healthcare, transport and clothing.

One of the main aims of our project was to develop ways to enhance the financial stability of local coffee communities and improve climate resilience. Tailored support has been offered to farmers of different backgrounds and plot sizes, with a focus on increasing productivity and introducing sustainable agricultural practices.

The following initiatives have had a noticeable positive impact and could potentially transform agricultural communities:

- Direct market access via the ofi Direct application
- Efficient farming practices and soil management
- Specific training tailored to needs
- Rainforest Alliance (RA) certification support

These measures also positively influenced the financial stability of the farmers. In 2021, primary data from 781 farmers was used to estimate their Living Income and its gap against the national benchmark. At that time, only 35% were above the living income benchmark. A second assessment in 2025 indicated that overall living incomes had improved since then. By the end of the four-year project, 54% of farmers were found to be above the living income benchmark — a 19% increase on 2021.

### Project key figures



About **1,000**  
farmers impacted by  
the project  
(2021-2025)



Over **450**  
Farmers achieved  
Rainforest Alliance  
certification



More than **400**  
Farmers received good  
agricultural practices  
training (2021– Oct. 2024)



In 2025, **54%**  
Of the farmers were  
above the living income  
benchmark (2021: 35)

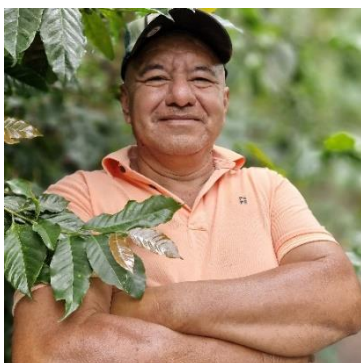
Overall, the programme's investment in sustainable farming practices has increased yields and improved crop quality. At the same time, lower farming costs resulted in better living standards - enhancing the access to a living income and enabling investment in family health, education and overall well-being. These improvements leave farmers better equipped to face future challenges, promoting long-term community development and fostering a more sustainable and prosperous agricultural sector.



Looking ahead, we identified further opportunities in adopting drought-resistant, high-yield coffee plants and agroforestry practices. Improving income diversification for farmers could alleviate the pressure of revenue losses during rejuvenation.

For more information on living income, please refer to our [International Position Statement on Living Wages and Living Incomes](#) which outlines our approach to support a decent standard of living for all people.

**Joaquín Meza García, ofi coffee farmer**



*“The training has helped me keep my yields stable. Without this support, I would not have reached this level of productivity.”*

Joaquín, a farmer from the Intibucá highlands, received training in pruning techniques, regular soil analysis, crop nutrition, and fertiliser management as part of our project. After four years, he reported a 30% increase in his coffee yields, climbing from an average harvest of 1,300 kg per hectare in 2021 to 1,690 kg per hectare in the 2024/25 season.

Looking ahead, Joaquín is eager to deepen his technical knowledge and install a solar dryer. He also plans to transition to organic practices, believing these steps will further enhance the quality and value of his coffee.



## Contact Info

ALDI SÜD KG  
International Sustainability  
Alte Bundesstraße 10  
A-5071 Wals  
VAT Reg. No.: ATU24963706  
Commercial register: FN 26451z, Regional Court of Salzburg

Please visit [sustainability.aldisouthgroup.com](https://sustainability.aldisouthgroup.com) for more information on our international corporate responsibility activities.